

22 June 1964

File - AIL

FH-7321

proposals

Reference: Contract AF33(657)-12843

Dear Frank:

Pursuant to our 18 June telecon this contractor is pleased to forward for formal approval our Purchase Order #1900 (as revised to incorporate Supplement #4) to Control Data Corporation, Minneapolis, Minnesota.

Supplement #4 to P. O. #1900 is primarily issued 1) to provide for the conversion from rental to purchase of two (2) CDC 3200 Computer Systems, and 1) provide for the purchase of a CDC 3200 Computer System, Ancillary equipment consisting of three (3) CDC 607 Magnetic Tape Transports will also be acquired. The total value of Purchase Order #1900 through this revision (Supplement #4) is \$3,272,601.52, said amount itemized as follows:

<u>Item</u>	<u>Amount</u>
Computer System, Schedule #2	\$982,534.50
Computer System, Schedule #3	939,690.00
Ruggedization	140,000.00
Non-Reoccurring Engineering	7,068.52
Qualification Testing	25,186.00
Computer System, Schedule #4	1,065,532.50
Three (3) - 607 Magnetic Tape Transports	112,590.00
	<u>\$ 3,272,601.52</u>

All computer system units except Models #156 and #209 are in accordance with Control Data Corporation's published price list for 3200 Computer Systems, dated 21 August 1963. The price for Models #156 and #209 are in accordance with CDC's General Service Administration Contract. All unit prices are adjusted for credits exclusive of those to which we are entitled to under Exhibit B and Exhibit B as revised 10 June 1964 to our purchase order. One (1) copy each of the aforementioned price list as well as excerpt of Control Data Corporation's Authorized Federal Supply Schedule Price List, effective through 6/30/64, are enclosed for your reference.

One (1) item of the Computer System Configuration is IBM equipment; namely, Model #544, Card Punch. The purchase price is approximately 10% higher than that which is normally charged by IBM for this unit. We feel this mark-up is reasonable since CDC will be required to integrate this unit into their 3200 Computer Systems.

As you will notice, all Control Data Corporation's models have been cross referenced to our respective Source Control Drawing.

It is trusted the contents hereof will prove adequate and accurate in all respects and as such suitable for your evaluation purposes. Please contact the undersigned in the event additional information is required.

Best Regards,


Jim

JM/vr
Encls.